

# **Exhibit 15**

MENU



Beny Steinmetz, centre: 'The truth will come out'

## Beny Steinmetz gets rough over Guinea deal

Diamond tycoon claims an undercover sting operation will clear his name as he fights multiple court cases

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Beny Steinmetz has been arrested in Israel, indicted in Switzerland, sued in New York, and found guilty of lying by a London arbitration panel. His Guernsey mining company, BSGR, has filed for voluntary administration and been ordered to pay a \$2bn (£1.6bn) award to erstwhile partner Vale of Brazil.

Yet, speaking from his home in Tel Aviv last week, the tycoon was adamant: it is all a vast conspiracy. “If anybody conspired, it was Vale against BSGR, and against me personally,” he said. “They will pay for that very dearly, I can tell you.”

For more than a decade, the billionaire’s life has been consumed by one audacious, ruinous deal: an attempt in 2008 to vault into the mining big league by securing the exploitation rights to Simandou in Guinea — regarded as the world’s largest untapped iron ore deposit. Those rights, and a subsequent \$5bn joint venture with Vale, were voided in 2014 after Guinea accused BSGR of paying bribes and took back the concession. Since then, the 64-year-old has been trailed by police and prosecutors.

Steinmetz, who maintains his innocence, promised retribution for a “big, big injustice”. He is confident he will get it. Why? Black Cube.

The corporate intelligence firm set up by former Israeli spies was hired by Steinmetz around Christmas. The High Court had upheld a verdict by the London Court of International Arbitration, which found that BSGR had indeed paid bribes to secure the Simandou rights and should pay \$2bn damages. It appeared to be the final nail in Steinmetz’s case.

So Black Cube set up a ruse. It created a fake consultancy that claimed it had a client trying to buy into a mining project that had been secured through questionable means. The consultancy, naturally, turned to professionals with expertise: Jose Carlos Martins and Alex **Monteiro**, former Vale executives who had helped to strike the BSGR deal. In secretly recorded

conversations, Martins said Vale suspected BSGR's Simandou rights may not have been legitimately acquired but proceeded with its "nose closed". The company's due diligence, he added, turned up no hard evidence of wrongdoing.

Martins likened the deal to a woman: "You bring her to your hotel room, she's naked, marvellous, then she says, 'A little problem, maybe I am with Aids.' It's a problem."

In another exchange, Martins, who was head of exploration in 2010 when Vale signed the BSGR tie-up, said: "One of the board members said, 'Don't tell me, I don't want to know at all.' " The deal was approved unanimously by the board.

Black Cube's evidence, to which Vale is yet to formally respond, was revealed in papers filed last month in a court in New York, where Vale is attempting to freeze Steinmetz's assets to get its \$2bn award. If found to have any basis, the revelations could expose Vale to charges under America's Foreign Corrupt Practices Act. Martins said Vale had conducted "deep due diligence", adding: "The results did not bring any indication of illicit activities." **Monteiro** added: "With absolute conviction, we, Vale's executives at the time, and Vale itself were never aware of any fraud."

The \$56bn giant, whose shares are traded in New York, declined to comment.

Steinmetz is walking a thin line. Black Cube's goal was to prove that Vale knew BSGR had acquired the Simandou licence fraudulently but went ahead anyway. However, he also maintains that Vale's assumption was wrong, and BSGR had won the Simandou rights legally.

Steinmetz said: "It takes a long time when you fight against this type of big machine. It's nice to say, 'He's a diamond billionaire. There's corruption.' It's sexy, but the truth will come out."

Steinmetz still faces a criminal case in Switzerland, where he could be sentenced to up to 10 years in prison.

What is certain is that virtually everyone involved has been muddled.

Rio Tinto fired two executives in 2016 after it emerged it had paid \$10.5m to an adviser who was close to Guinea's president, Alpha Condé, for his role in helping Rio secure rights to the other half of the Simandou mountain range for \$700m. A Serious Fraud Office inquiry continues.

Frederic Cilins, a Frenchman who acted for Steinmetz in Guinea, went to prison for obstruction of justice after being recorded by the FBI urging the wife of Guinea's former president to "burn" evidence of a bribe.

In New York, Steinmetz has filed a multibillion-dollar lawsuit against George Soros, whose Open Society foundation was a force behind Guinea's decision to strip BSGR of its rights. The suit claims Soros "savaged and destroyed" Steinmetz's reputation and business.

Most extraordinarily, Guinea dropped its charges against BSGR last year in a settlement brokered by former French president Nicolas Sarkozy. Steinmetz brought in London mining tycoon Sir Mick Davis to begin work on a smaller iron project in Guinea.

The biggest loser, though, is the poor west African country, sitting on resources worth hundreds of billions — that remain in the ground.

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